

HOLLINGER INC.

10 Toronto Street
Toronto Ontario M5C 2B7
Tel: (416) 363-8721 Fax: (416) 364-0832

MEMORANDUM

TO: Conrad Black
FROM: Fred Creasey
DATE: 29 January 2002
RE: Invoicing of GIV Costs

Attached is a schedule indicating the proposed billing of the GIV costs for 2001 based on the usage indicated in the flight logs applying the following general guidelines:

1. Transatlantic flights are charged 50% to the UK Group and 50% to Hollinger International Corporate.
2. Flights between Canada and the United States are charged 50% to the Canadian Newspaper Group and 50% to Hollinger International Corporate.
3. Flights within the United States are charged 100% to Hollinger International Corporate.
4. Flights within Europe are charged 100% to the UK Group.
5. Flights within Canada are charged 100% to the Canadian Newspaper Group.
6. Flights to Israel are charged 100% to Hollinger International Corporate.

HLR 093549

As indicated on the attached schedule there are 23.1 hours unallocated in respect of flights between July 30 to August 8, Seattle/Honolulu/Tahiti/Bora Bora and return. Please let me know where these flights should be charged.

Fred Creasey Fred As these were mainly within the United States, let's charge them to H International. I'm happy to pay, as to hell, personally, it won't cause difficulties. Regards, *CD*

G1V AIRCRAFT LOG
YEAR ENDED DECEMBER 31 2001
Hours

	Transatlantic	Canada/ United States	Within United States	Within Europe	Within Canada	Unallocated	Israel	Total
January	7.0	14.2	4.9	4.5				30.6
February	7.7	3.9		9.3				20.9
March	28.5	7.9	1.9	7.0				45.3
April		12.1	0.9					13.0
May	6.7	11.9	3.3	3.8				25.7
June				3.1				3.1
July	7.3	4.7	18.9	0.3		5.7		36.9
August	14.0	8.9				17.4	10.4	50.7
September	7.0			3.3				10.3
October				6.5				6.5
November	13.7	13.8	4.9	4.3				36.7
December	7.2	2.3	2.8	0.4				12.7

	99.1	79.7	37.6	42.5		23.1	10.4	292.4
--	------	------	------	------	--	------	------	-------

Percentage	33.89	27.26	12.86	14.53		7.90	3.56	100.00
------------	-------	-------	-------	-------	--	------	------	--------

Allocation

UK Group	16.9	0.0	0.0	14.5	0.0	0.0	0.0	31.5	31.0	2,190,778
Canadian Group	0.0	13.6	0.0	0.0	0.0	0.0	0.0	13.6	14.0	989,384
US Group	16.9	13.6	12.9	0.0	0.0	0.0	3.6	47.0	47.0	3,321,502
Unallocated						7.9		7.9	8.0	565,362

	33.9	27.3	12.9	14.5	0.0	7.9	3.6	100.0	100.0	7,067,025
--	------	------	------	------	-----	-----	-----	-------	-------	-----------

Actual G IV Costs

7,067,025

HLR 093550

01/29/02 20:54 FAX 212 974 0978
01/29/2002 11:40 FAX 416 364 0832

HOLLINGER INT. INC.
Hollinger Inc. - Finance - Hol Int-New York

0002
0003